

145 - REVENUE NEUTRALITY

Operational Summary

Description:

On June 29, 2001 the Auditor-Controller established Fund 252 - Revenue Neutrality Trust Fund to record payments from cities pursuant to existing and future incorporation agreements. On November 5, 2002, the Board of Supervisors directed the Auditor-Controller to: establish Fund 145 - Revenue Neutrality Fund; transfer the remaining cash balance

from Fund 252 to Fund 145; and to close Fund 252. The new fund was established to fulfill new GASB requirements regarding proper categorization of trust funds. This reserve serves as an endowment to the General Fund with interest credited annually in arrears.

At a Glance:

Total FY 2006-2007 Projected Expend + Encumb:	4,584,033
Total Recommended FY 2007-2008	3,024,697
Percent of County General Fund:	N/A
Total Employees:	0.00

FY 2006-07 Key Project Accomplishments:

- During FY 2006-07, \$565,682 will be transferred to the General Fund. This amount represents net interest earned by the Revenue Neutrality Fund during FY 2005-06.

Budget Summary

Changes Included in the Recommended Base Budget:

The FY 2007-08 budget includes an increase to reserves of \$2.0 million to the departmental reserve for contingencies bringing the reserve total to \$22.5 million. The FY 2007-08 budget also includes an anticipated transfer of \$918,520 to the General Fund which represents the FY 2006-07 net interest proceeds.

Proposed Budget History:

Sources and Uses	FY 2005-2006 Actual	FY 2006-2007 Budget As of 3/31/07	FY 2006-2007 Projected ⁽¹⁾ At 6/30/07	FY 2007-2008 Recommended	Change from FY 2006-2007 Projected	
					Amount	Percent
Total Revenues	9,711,581	4,775,369	4,810,325	3,024,697	(1,785,628)	-37.12
Total Requirements	8,297,116	775,369	4,584,033	3,024,697	(1,559,336)	-34.02
Balance	1,414,465	4,000,000	226,292	0	(226,292)	-100.00

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2006-07 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.

Detailed budget by expense category and by activity is presented for agency: Revenue Neutrality in the Appendix on page A643

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Summary of Proposed Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2005-2006		FY 2006-2007		FY 2006-2007		FY 2007-2008		Change from FY 2006-2007	
	Actual		Budget		Projected ⁽¹⁾		Recommended		Projected	
			As of 3/31/07		At 6/30/07				Amount	Percent
Revenue from Use of Money and Property	\$ 578,767	\$	860,535	\$	936,872	\$	953,616	\$	16,744	1.79%
Intergovernmental Revenues	3,367,692		2,500,369		2,458,988		1,844,789		(614,199)	-24.98
Total FBA	5,765,121		1,414,465		1,414,465		226,292		(1,188,173)	-84.00
Total Revenues	9,711,581		4,775,369		4,810,325		3,024,697		(1,785,628)	-37.12
Services & Supplies	13,668		209,687		18,351		106,177		87,826	478.59
Other Financing Uses	237,848		565,682		565,682		918,520		352,838	62.37
Reserves	8,045,600		0		4,000,000		2,000,000		(2,000,000)	-50.00
Total Requirements	8,297,116		775,369		4,584,033		3,024,697		(1,559,336)	-34.02
Balance	\$ 1,414,465	\$	4,000,000	\$	226,292	\$	0	\$	(226,292)	-100.00%

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2006-07 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.